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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	**Chapter 11 Case No.**
GENERAL MOTORS CORP., ***et al.*****,**	**09-50026 (REG)**
Debtors.	**(Jointly Administered)**

DECLARATION OF JAMES BINANDO IN SUPPORT OF STILLWATER MINING COMPANY'S OBJECTION TO THE DEBTOR'S THIRD OMNIBUS MOTION SEEKING TO REJECT STILLWATER'S MINERAL SUPPLY CONTRACT

I, James Binando, declare as follows:

1. I am a Manager of Metal Sales and Trading for Stillwater Mining Company ("Stillwater"). I have personal knowledge of the facts set forth herein or have conducted a reasonable inquiry to determine that such statements are true and correct.

2. Stillwater is engaged in the development, recycling, extraction, processing, smelting, refining, and marketing of palladium, platinum and associated metals (e.g.

rhodium) (collectively "PGMs") in Montana. The area known as the J-M Reef, which is owned by Stillwater, is the *only* known significant source of PGMs in the United States.

3. Stillwater currently employs 1322 employees in its Montana operations, making it the largest employer in the counties of Stillwater and Sweet Grass, and one of Montana's largest statewide employers.

4. On or about August 8, 2007, Stillwater entered into a Palladium and Rhodium Sales Agreement with General Motors Corporation (the "Original Contract"), as amended pursuant to a First Amendment dated December 9, 2008 (the "First Amendment") and a Second Amendment dated March 5, 2009 (the "Second Amendment") (collectively referred to as the "Stillwater Contract"). The initial term of the Stillwater Contract is January 1, 2008 through December 31, 2012.

5. Upon information and belief, General Motors has contracts with two other mining companies and direct substantial suppliers of PGMs: Mining and Metallurgical Norilsk Nickel (MMC Norilsk Nickel) ("Norilsk") and Impala Platinum Holdings Limited ("Implats"),[1] which companies are based respectively in Russia and in South Africa.

6. The Stillwater Contract provides for specific quantities of palladium and rhodium to be delivered to GM on a monthly basis at prices slightly discounted from the market price, and includes floor and ceiling pricing for certain PGMs. Such floor pricing provides essential stability to Stillwater's income from the sale of these PGM minerals.

7. The Stillwater Contract constituted approximately 12% of Stillwater's revenue in 2008 and approximately 11% of Stillwater's year-to-date revenue. The reduction in revenue for the current year is due in part to the fact that the First and Second Amendments to the Stillwater Contract reduced the amount of rhodium delivered to GM during the first six months of 2009.

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[1] General Motors also obtains certain PGMs from a Pennsylvania-based recycler, on information and belief, the amounts of PGMs obtained from that entity are significantly less than the amounts supplied by the three mining supply companies, Norilsk, Implats and Stillwater.

8. If the Stillwater Contract is rejected, Stillwater will be required to sell the GM designated palladium and rhodium at the spot market price. Spot market pricing for palladium and rhodium is volatile and has recently experienced a significant downturn, in large part due to the recent worldwide economic decline. At the current spot market prices for PGM, currently Stillwater is not sustainable without the pricing floors in the long term auto sales contracts.

9. As of June 30, 2009, the spot market price for palladium was approximately $250 per ounce. Under current spot market prices for PGMs, Stillwater's losses from the rejection of the Stillwater Contract will be approximately $500,000 per month.

10. If such losses continue for a sustained period of time, or if Stillwater's losses increase significantly due to an additional decline in the spot market price for PGMs, it will have the likely effect of putting hundreds of Stillwater employees' jobs at risk.

11. Based upon the aforementioned losses, the rejection of the contract will not only subject Stillwater to the above described significant consequences and financial losses, but will also give rise to a very large claim for breach of contract.

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: July 16, 2009

James Binando

JAMES BINANDO